FORTY-SIXTH ANNUAL REPORT

OF THE

MISSISSIPPI CENTRAL

RAILROAD COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1953

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RAILROAD COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1953

DIRECTORS

M. CLAIRE BARRETT	Scranton, Pa.
L. E. FAULKNER	Hattiesburg, Miss.
REESE H. HARRIS	Scranton, Pa.
FRANK E. HEMELRIGHT	Scranton, Pa.
H. L. JONES	Middleville, N. J.
E. J. LYNETT	Scranton, Pa.
H. C. McCORMICK	Williamsport, Pa.
C. L. PAUL	Philadelphia, Pa.
W. J. RANKIN	North Hills, Pa.
STANLEY C. SCHOOLEY	Scranton, Pa.

OFFICERS

FRANK E. HEMELRIGHT, Chairman of the Board	Scranton, Pa.
L. E. FAULKNER, President	Hattiesburg, Miss.
H. L. JONES, Vice-President	Middleville, N. J.
REESE H. HARRIS, Vice-President	Scranton, Pa.
M. CLAIRE BARRETT, Secretary and Treasurer	Scranton, Pa.
LeROY MORRIS, Traffic Manager	Hattiesburg, Miss.
H. O. HOFFMAN, Superintendent	Hattiesburg, Miss.
F. E. MONTGOMERY, Auditor	Hattiesburg, Miss.
S. B. RINGGOLD, Chief Engineer	Hattiesburg, Miss.
R. W. FOX, Purchasing Agent	Hattiesburg, Miss.

TRANSFER OFFICE

First National Bank Building — Scranton, Pa.

REGISTRAR

The Scranton Lackawanna Trust Co. — Scranton, Pa.

ANNUAL MEETING

Second Tuesday in February, Hattiesburg, Miss.

To the Stockholders of the Mississippi Central Railroad Company

The following report is submitted for the year 1953.

The highlight of the year was the receipt during May of ten, 1200 H.P., General Motors diesel-electric locomotives which were placed in revenue service during the month. The last revenue steam operation was on May 26th. One steam locomotive was used in work train service through June 5th and another in engine-house service through June 16th, since which time all operations have been with diesel-electric power.

Freight revenues increased $48,379 or 1.82% over 1952. (The increase for Class I railways in the United States was 1.83%). Revenue freight handled decreased 17,768 tons or 1.38%, due to a decrease in forest products. There were no general changes in freight rates during the year.

Gross revenues from the wallboard plant and others at Johnsville were $357,477 compared with $324,738 last year. Traffic in connection with the pulp plant at Natchez produced a revenue of $98,978, after absorbed switching, compared with $54,065 in 1952. Revenue from liquefied petroleum gas out of Calco was $34,101 compared with $60,961 in 1952; motor trucks continue to reduce this traffic. Natural gasoline orginating at Zetus contributed $19,874 to revenue as against $15,330 in 1952. No crude oil has originated on line since 1948.

Operating expenses increased $48,587 or 2.41% over 1952. The net effect of wage adjustments to organized employees was an increase of three cents per hour. Wages chargeable to operating expenses decreased $55,600 under 1952, of which some $42,000 is due to 1951 back pay in 1952 accounts.

Maintenance of way expenses increased due in large part to ties laid, repairing damage done to our property by heavy rains in the spring and heavy increases in joint facility repairs made by the Natchez and Southern and the Natchez and Louisiana Railway Transfer at Natchez. Maintenance of locomotives decreased $68,800, which was practically offset by increase in freight train car repairs, depreciation accruals and non-recurring charge of $38,800 for obsolete steam locomotive and other repair materials. Yard and train operating expenses decreased $107,049. Of this decrease $16,900 is due to 1951 back pay in 1952 accounts. There was a decrease in costs due to a decrease of 9,782 freight train miles and approximately $67,000 due to diesel operations instead of steam.

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There were 437 gross tons of new 80 lb. rails laid in replacement. 37,426 new creosoted cross ties and 66,284 ft. B. M. new creosoted bridge and switch ties were used in repairs.

Taxes decreased $81,380 or 23.82%. State and federal income taxes for the year were $48,028 less than they would have been were it not for charge offs during the year against taxable income of losses on material and property made obsolete by dieselization. Federal income taxes were also $29,208 less than they would have been without five-year amortization of a portion of the cost of emergency facilities, principally our diesel-electric locomotives, under Section 124-A of the Internal Revenue Code. Such five-year write-off does not represent an actual tax savings, but only a tax deferment. After five years, deductions for federal income taxes will be only normal depreciation of the unamortized portion of the cost of the facilities. Under Interstate Commerce Commission accounting rules only normal depreciation on these facilities was charged on the books.

Hire of freight cars increased $24,073 or 25.48% The per diem rate on railroad owned cars was increased to $2.40 from $2.00 effective August 1, 1953. There was an increase in use of private cars, mostly tanks, foreign cars on line and switching reclaim paid.

Net income after fixed charges increased $30,087 or 16.66%. Eliminating the $29,208 temporary tax deferment mentioned under taxes the increase was only $879.

Dividend of 5½%, amount $60,358 was declared and was paid January 15, 1953 on 109,742 shares of First Preferred Stock.

Payments into the sinking fund for the retirement of 1st Mortgage bonds were $1,601 from mortgaged property sold and $33,836 from income appropriated in 1952. $35,000 of First Mortgage Bonds were purchased at par and cancelled.

Equipment obligation of $954,000 was incurred in connection with the ten diesel-electric locomotives previously mentioned. (See Schedule D). In view of the tax deferment on these locomotives, it is planned to prepay one monthly installment on the contract every other month, funds being available.

Road property additions included two fuel oil stations, shop tools and machinery in connection with dieselization. Other major items were 669 lineal feet of timber trestles, three pile and timber dykes, four concrete pipe lines, and 331 ft. of industrial and side tracks. Equipment added consisted of ten diesel-electric locomotives, cost $1,076,100, and two automobiles.

Road property made obsolete by dieselization and retired included all water stations, coal fuel stations, certain shop tools and machinery, and cinder pits. Other major items retired were 577 lineal feet of timber trestles, 1,884 ft., of industrial and side tracks and one dragline excavator. Equipment retired consisted of all steam locomotives (13), one box car, eight rack cars, one work car, one crane and two automobiles.

Six hundred seventy-two net tons (4.8 track miles) of new 80 lb. rail with fastenings is on order for delivery in 1954.

There were 422 stockholders when the stock book was closed January 20, 1954 (prior to annual meeting). Average number of employees 321.

The faithful and efficient efforts of the members of the Mississippi Central family in serving our patrons is appreciated.

Statements of the accounts in the usual detail will be found in tables which follow.

Respectfully submitted.

L. E. FAULKNER
President

FRANK E. HEMELRIGHT
Chairman of the Board

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TABLE A

MISSISSIPPI CENTRAL RAILROAD COMPANY

STATEMENT OF INCOME

For the Years Ended December 31, 1953 and 1952, and Comparison

	Year Ended December 31 1953	1952	Increase (D) Decrease
Railway Operating Income:			
Railway operating revenues	$2,741,100.60	$2,693,299.07	$ 47,801.53
Railway operating expenses	2,067,633.91	2,019,047.30	48,586.61
Net revenue from railway operations	$ 673,466.69	$ 674,251.77	$D 785.08
Railway tax accruals	260,325.11	341,705.56	D81,380.45
Railway operating income	$ 413,141.58	$ 332,546.21	$ 80,595.37
Rent Income:			
Rent from locomotives		$ 28.75	$D 28.75
Joint facility rent income	$ 256.30	320.00	D 63.70
Total rent income	$ 256.30	$ 348.75	$D 92.45
Rents Payable:			
Hire of freight cars	$ 118,543.78	$ 94,470.57	$ 24,073.21
Rent for locomotives		54.00	D 54.00
Rent for work equipment	372.50	(83.00)	455.50
Joint facility rents	31,804.02	32,973.50	D 1,169.48
Total rents payable	$ 150,720.30	$ 127,415.07	$ 23,305.23
Net rents payable	$ 150,464.00	$ 127,066.32	$ 23,397.68
Net Railway Operating Income	$ 262.677.58	$ 205,479.89	$ 57,197.69
Other Income:			
Miscellaneous rent income	$ 5,187.28	$ 407.77	$ 4,779.51
Income from nonoperating property	1,042.46	1,009.46	33.00
Interest income	2,109.30	2,477.10	D 367.80
Miscellaneous income	8,440.16	15,812.00	D 7,371.84
Total other income	$ 16,779.20	$ 19,706.33	$D 2,927.13
Total Income	$ 279,456.78	$ 225,186.22	$ 54,270.56
Miscellaneous Deductions from Income:			
Miscellaneous rents	$ 82.00	$ 186.00	$D 104.00
Miscellaneous tax accruals	292.51	303.03	D 10.52
Miscellaneous income charges	910.87	927.15	D 16.28
Total miscellaneous deductions	$ 1,285.38	$ 1,416.18	$D 130.80
Income Available for Fixed Charges	$ 278,171.40	$ 223,770.04	$ 54,401.36
Fixed Charges:			
Interest on funded debt	$ 67,442.66	$ 43,153.50	$ 24,289.16
Interest on unfunded debt	4.76	4.76	
Amortization of discount on funded debt	24.90		24.90
Total fixed charges	$ 67,472.32	$ 43,158.26	$ 24,314.06
Net Income After Fixed Charges	$ 210,699.08	$ 180,611.78	$ 30,087.30
Income Applied to Sinking Fund	27,856.38	33,836.48	D 5,980.10
Balance of Income Transferred to Earned Surplus—Unappropriated	$ 182,842.70	$ 146,775.30	$ 36,067.40

( ) Denotes red figure.

TABLE B

MISSISSIPPI CENTRAL RAILROAD COMPANY

Balance Sheet, December 31, 1953 and 1952, and Comparison

ASSETS	December 31 1953	1952	Increase (D) Decrease
Investments:			
Road and equipment property	$10,017,670.86	$9,406,101.70	$ 611,569.16
Less—Donations and grants	43,382.53	44,989.80	D 1,607.27
Investment in transportation property	$ 9,974,288.33	$9,361,111.90	$ 613,176.43
Less—Accrued depreciation	421,883.41	741,677.41	D 319,794.00
Investment in transporation property, less recorded depreciation	$ 9,552,404.92	$8,619,434.49	$ 932,970.43
Sinking fund	930.69	492.96	437.73
Miscellaneous physical property	12,243.16	12,243.16	
Total investments	$ 9,565,578.77	$8,632,170.61	$ 933,408.16
Current Assets:			
Cash	$ 496,612.68	$ 527,535.49	$D 30,922.81
Temporary cash investments (United States Government securities)	100,990.00	165,862.50	D 64,872.50
Traffic and car-service balances—Dr.	8,191.81	58,979.84	D 50,788.03
Net balance receivable from agents	21,716.61	16,862.86	4,853.75
Miscellaneous accounts receivable	75,693.38	22,007.49	53,685.89
Material and supplies	233,833.01	298,103.52	D 64,270.51
Other current assets	81.71	134.01	D 52.30
Total current assets	$ 937,119.20	$1,089,485.71	$D 152,366.51
Deferred Assets:			
Working fund advances	$ 919.83	$ 919.83	
Other deferred assets	3,425.71	1,115.83	$ 2,309.88
Total deferred assets	$ 4,345.54	$ 2,035.66	$ 2,309.88
Unadjusted Debits:			
Prepayments	$ 14,388.03	$ 10,672.61	$ 3,715.42
Other unadjusted debits	3,825.60	6,901.87	D 3,076.27
Total unadjusted debits	$ 18,213.63	$ 17,574.48	$ 639.15
Total	$10,525,257.14	$9,741,266.46	$ 783,990.68

TABLE B—(Continued)

MISSISSIPPI CENTRAL RAILROAD COMPANY

Balance Sheet, December 31, 1953 and 1952, and Comparison

LIABILITIES	December 31 1953	1952	Increase (D) Decrease
Capital Stock:			
First preferred, non-cumulative 5½% of a par value of $10 each—authorized, 111,210 shares; outstanding, 109,742 shares	$ 1,097,420.00	$1,097,420.00	
Common—authorized and outstanding, 39,400 shares of a par value of $100 each	3,940,000.00	3,940,000.00	
Total capital stock	$ 5,037,420.00	$5,037,420.00	
Long-Term Debt:			
First mortgage 4% bonds, due April 1, 1978	$ 856,000.00	$ 891,000.00	$D 35,000.00
Equipment obligations (includes $131,400 maturing in 1954)	1,059,370.50	222,950.00	836,420.50
Total long-term debt	$ 1,915,370.50	$1,113,950.00	$ 801,420.50
Current Liabilities:			
Audited accounts and wages payable	$ 165,752.35	$ 210,753.08	$D 45,000.73
Miscellaneous accounts payable	10,072.46	9,593.15	479.31
Unmatured interest accrued	8,560.00	8,910.00	D 350.00
Accrued accounts payable	50,863.00	27,662.00	23,201.00
Taxes accrued	112,760.82	197,494.88	D 84,734.06
Other current liabilities	28,421.35	29,913.57	D 1,492.22
Total current liabilities	$ 376,429.98	$ 484,326.68	$D 107,896.70
Deferred Liabilities—Other	$ 1,117.64	$ 1,288.64	$D 171.00
Unadjusted Credits—Other	$ 2,916.92	$ 3,440.82	$D 523.90
Surplus:			
Unearned surplus	$ 3,813.67	$ 2,206.40	$ 1,607.27
Earned surplus—appropriated:			
Funded debt retired through income		$ 109,000.00	$D 109,000.00
Sinking fund reserve	$ 28,787.07	34,329.44	D 5,542.37
Total earned surplus—appropriated	$ 28,787.07	$ 143,329.44	$D 114,542.37
Earned surplus—unappropriated	$ 3,159,401.36	$2,955,304.48	$ 204,096.88
Total surplus	$ 3,192,002.10	$3,100,840.32	$ 91,161.78
Total	$10,525,257.14	$9,741,266.46	$ 783,990.68

TABLE C

MISSISSIPPI CENTRAL RAILROAD COMPANY

STATEMENT OF EARNED SURPLUS—UNAPPROPRIATED

For the Years Ended December 31, 1953 and 1952, and Comparison

	Year Ended December 31		
	1953	1952	Increase
Credit Balance at Beginning of Year	$2,955,304.48	$2,868,743.09	$ 86,561.39
Credits:			
Credit balance transferred from income	$ 182,842.70	$ 146,775.30	$ 36,067.40
Reversal of credits to earned surplus—appropriated in prior years for sinking fund appropriations	142,398.75		142,398.75
Other miscellaneous credits	890.56	595.99	294.57
Total credits	$ 326,132.01	$ 147,371.29	$178,760.72
Total	$3,281,436.49	$3,016,114.38	$265,322.11
Debits:			
Dividend appropriation of surplus—5½% on first preferred capital stock	$ 60,358.10	$ 60,358.10	
Loss on obsolete property incident to change over from steam to diesel locomotives	60,814.02		$ 60,814.02
Other miscellaneous debits	363.01	451.80	411.21
Total debits	$ 122,035.13	$ 60,809.90	$ 61,225.23
Credit Balance at End of Year	$3,159,401.36	$2,955,304.48	$204,096.88

HASKINS & SELLS

Certified Public Accountants — 67 Broad Street, New York 4

ACCOUNTANTS' CERTIFICATE

Mississippi Central Railroad Company:

We have examined the balance sheet of Mississippi Central Railroad Company as of December 31, 1953 and the related statements of income and of earned surplus—unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and of earned surplus—unappropriated present fairly the financial position of the Company at December 31, 1953 and the results of its operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission.

HASKINS & SELLS

New York,

February 26, 1954.

Table D

Statement of Long Term Debt, December 31, 1953

Description	Date of Issue or Contract	Date of Maturity	Amount Outstanding Dec. 31, 1953	Interest		
				Rate	Accrued During Year	When Payable
First Mortgage Bonds	April 1, 1948	April 1, 1978	$856,000.00	4%	$34,590.00	April and October
Equipment Obligations—Conditional Purchase Contracts:		Monthly to				
Box Cars	April 5, 1949	April 1, 1959	$184,870.50 (1)	3%	$ 6,158.54	Monthly
Diesel-Electric Locomotives	April 1, 1953	June 1, 1963	$874,500.00 (2)	4½%	$26,694.12	Monthly

(1) Payable $3,000.00 Monthly. $2,079.50 prepaid in 1953 on destroyed car.

(2) Payable $7,950.00 Monthly. $23,850.00 prepaid in 1953.

TABLE E

Investment in Road and Equipment

Changes during the year ended with December 31, 1953

	Additions	Retirements	Net Change
Road			
Engineering	$ —	$ 980.42	$— 980.42
Land	29.72	708.91	— 679.19
Grading	8,515.28	2,052.68	6,462.60
Bridges, Trestles and Culverts	32,556.76	9,100.33	23,456.43
Ties	1,608.13	2,929.77	— 1,321.64
Rails	1,305.10	1,489.26	— 184.16
Other Track Material	3,027.84	3,158.38	— 130.54
Ballast	142.03	565.95	— 423.92
Track Laying and Surfacing	1,321.28	1,636.87	— 315.59
Station and Office Buildings	—	329.39	— 329.39
Roadway Buildings	1,575.48	40.00	1,535.48
Water Stations	—	43,193.39	—43,193.39
Fuel Stations	15,607.77	8,173.04	7,434.73
Shops and Enginehouses	24,840.89	4,871.82	19,969.07
Power-Transmission Systems	193.86	30.00	163.86
Roadway Machines	686.00	4,460.08	— 3,774.08
Shop Machinery	11,598.93	28,404.07	—16,805.14
General Expenditures	—	2,101.18	— 2,101.18
	$ 103,009.07	114,225.54	$—11,216.47
Equipment			
Steam Locomotives	$ —	$444,848.40	$—444,848.40
Other Locomotives	1,076,099.90	—	1,076,099.90
Freight Train Cars	6,769.57	15,430.59	— 8,661.02
Work Equipment	376.60	2,719.33	— 2,342.73
Miscellaneous Equipment	7,900.98	5,363.10	2,537.88
	$1,091,147.05	$468,361.42	$ 622,785.63
Total Road and Equipment Changes	$1,194,156.12	$582,586.96	$ 611,569.16

TABLE F

Comparative Statement of Operating Revenues, Operating Expenses, and Net Operating Revenues for the Years Ending December 31, 1953 and December 31, 1952

OPERATING REVENUES

	1953	Per Cent Earnings	1952	Per Cent Earnings
Freight	$2,699,393.49	98.48	$2,651,014.22	98.43
Passenger	483.67	0.02	Dr. 579.02	—0.02
Miscellaneous	41,223.44	1.50	42,863.87	1.59
Totals	$2,741,100.60	100.00	$2,693,299.07	100.00

OPERATING EXPENSES

	1953	Per Cent Earnings	1952	Per Cent Earnings
Maintenance of Way and Structures	$ 714,212.61	26.06	$ 608,642.99	22.60
Maintenance of Equipment	367,546.82	13.41	354,284.39	13.15
Traffic	164,889.87	6.01	157,686.13	5.86
Transportation	697,448.28	25.44	781,395.35	29.01
General	123,536.33	4.51	117,038.44	4.35
Totals	$2,067,633.91	75.43	$2,019,047.30	74.97
Net revenue from railway operations	$ 673,466.69		$ 674,251.77	

TABLE G

Comparative Statement of Operating Expenses for Years Ended December 31, 1953 and 1952

	1953	1952
Maintenance of Way and Structures		
Superintendence	$ 30,676.13	$ 29,057.92
Roadway Maintenance	119,964.28	91,450.86
Bridges, Trestles and Culverts	42,859.60	38,000.64
Ties	124,214.09	98,262.81
Rails	34,079.26	29,076.24
Other Track Material	28,559.60	20,021.90
Ballast	5,892.61	3,489.06
Track Laying and Surfacing	184,013.75	190,268.86
Fences and Signs	5,052.35	4,953.86
Station and Office Buildings	5,925.67	11,354.08
Roadway Buildings	404.85	707.09
Water Stations	267.01	1,948.01
Fuel Stations	746.65	1,765.08
Shops and Enginehouses	6,452.93	9,764.48
Communication Systems	8,697.40	4,979.66
Signals and Interlockers	1,396.15	2,133.15
Power—Transmission Systems	296.49	319.93
Road Property-Depreciation	26,173.66	26,087.04
Retirements—Road	7,172.85	1,009.36
Roadway Machines	3,537.61	2,510.68
Dismantling Retired Road Property	5,247.10	52.05
Small Tools and Supplies	5,658.36	6,020.76
Public Improvements—Maintenance	4,893.46	4,389.68
Injuries to Persons	2,077.47	5,417.93
Insurance	1,218.27	1,503.83
Stationery and Printing	693.78	540.70
Other Expenses	71.69	29.36
Maint'g joint tracks, yards and other facilities—Dr.	58,025.63	23,953.99
Maint'g joint tracks, yards and other facilities—Cr.	56.09	426.02
Total	$714,212.61	$608,642.99
Maintenance of Equipment		
Superintendence	20,718.97	19,806.26
Shop Machinery	4,990.41	2,675.22
Power Plant Machinery	1,041.51	492.93
Shop and Power Plant Machinery—Depreciation	3,076.66	3,290.16
Dismantling Retired Shop and Power Plant Machinery	1,268.45	—
Steam Locomotives—Repairs	42,960.12	159,909.33
Other Locomotives—Repairs	48,140.04	—
Freight Train Cars—Repairs	118,180.46	105,969.03
Work Equipment—Repairs	6,082.64	2,707.13
Miscellaneous Equipment—Repairs	454.39	729.83
Dismantling Retired Equipment	1,847.26	309.73
Equipment—Depreciation	54,205.57	35,505.36
Injuries to Persons	1,357.49	3,019.80
Insurance	4,119.18	1,998.06
Stationery and Printing	1,126.92	692.05
Other Expenses	40,811.54	163.45
Joint Maintenance of Equipment Expenses—Dr.	17.165.21	17.016.05
Total	$367,546.82	$354,284.39
Traffic		
Superintendence	67,440.23	64,982.72
Outside Agencies	81,303.81	77,129.74
Advertising	1,585.18	1,668.57
Traffic Associations	2,602.51	2,332.84
Insurance	111.94	101.76
Stationery and Printing	11,846.20	11,452.39
Other Expenses	—	18.11
Total	$164,889.87	$157,686.13

TABLE G—Continued

	1953	1952
Transportation		
Superintendence	$ 38,101.24	$ 35,964.87
Dispatching Trains	11,743.35	11,674.87
Station Employees	85,286.48	82,024.08
Weighing and Inspection Bureaus	884.57	657.04
Station Supplies and Expenses	4,012.57	3,426.96
Yard Masters and Yard Clerks	8,311.51	8,106.07
Yard Conductors and Brakemen	36,402.73	35,583.38
Yard Enginemen	24,595.23	27,687.85
Yard Switching Fuel	8,468.88	15,808.40
Water for Yard Locomotives	128.30	301.76
Lubricants for Yard Locomotives	487.13	350.06
Other Supplies for Yard Locomotives	115.98	145.96
Enginehouse Expenses—Yard	8,921.56	11,027.02
Yard Supplies and Expenses	273.57	322.90
Operating Joint Yards and Terminals—Dr.	62,082.14	59,959.74
Train Enginemen	79,781.34	105,758.20
Train Fuel	91,182.79	145,165.89
Water for Train Locomotives	1,680.95	3,753.97
Lubricants for Train Locomotives	6,105.29	5,039.91
Other Supplies for Train Locomotives	1,239.35	2,316.55
Enginehouse Expenses—Train	27,972.38	40,434.33
Trainmen	91,346.12	92,925.16
Train Supplies and Expenses	14,898.47	14,233.30
Crossing Protection	181.47	174.36
Stationery and Printing	6,262.86	5,411.57
Other Expenses	37.47	92.63
Operating Joint Tracks and Facilities—Dr.	48,825.94	47,496.51
Operating Joint Tracks and Facilities—Cr.	4,342.23	4,216.35
Insurance	4,298.01	3,928.51
Clearing Wrecks	7,920.90	524.09
Damage to Property	1,082.93	3,707.56
Damage to Live Stock on Right-of-Way	7,113.40	11,480.75
Loss and Damage—Freight	10,770.77	7,577.29
Injuries to Persons	11,274.83	2,550.16
Total	$ 697,448.28	$ 781,395.35
General		
Salaries and Expenses of General Officers	15,781.15	15,105.73
Salaries and Expenses of Clerks and Attendants	85,544.90	82,226.05
General Office Supplies and Expenses	3,412.10	3,369.97
Law Expenses	7,461.38	4,479.75
Insurance	167.44	171.63
Pensions and Gratuities	182.31	Cr. 13.45
Stationery and Printing	3,790.05	4,768.81
Other Expenses	6,471.52	6,323.32
General Joint Facilities—Dr.	725.48	606.63
Total	$ 123,536.33	$ 117,038.44
Recapitulation		
Maintenance of Way and Structures	$ 714,212.61	$ 608,642.99
Maintenance of Equipment	367,546.82	354,284.39
Traffic	164,889.87	157,686.13
Transportation	697,448.28	781,395.35
General	123,536.33	117,038.44
Total	$2,067,633.91	$2,019,047.30

TABLE H

Operating Revenues and Operating Expenses by Months for Year ended December 31, 1953

Operating Revenues	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Totals
Freight	$213,342	$214,737	$287,136	$240,628	$201,806	$241,626	$216,507	$218,907	$224,736	$220,261	$208,172	$211,535	$2,699,393
Passenger				173	147		—4		—51	132		87	484
Miscellaneous	3,633	2,609	2,985	3,173	3,491	3,575	3,613	3,564	3,923	4,474	2,850	3,334	41,224
Totals	$216,975	$217,346	$290,121	$243,974	$205,444	$245,201	$220,116	$222,471	$228,608	$224,867	$211,022	$214,956	$2,741,101
Operating Expenses													
Maintenance of Way and Structures	$ 40,818	$ 42,878	$ 62,600	$ 53,333	$ 66,796	$ 53,114	$ 58,182	$ 58,362	$ 61,765	$ 72,517	$ 79,204	$ 64,644	$ 714,213
Maintenance of Equipment	27,821	26,548	27,962	23,059	22,848	48,570	52,492	26,055	28,336	27,860	26,640	29,356	367,547
Traffic	14,558	13,360	13,481	13,310	13,802	13,801	13,641	13,645	13,801	14,077	13,411	14,003	164,890
Transportation	64,979	62,026	74,331	63,323	57,859	53,698	52,312	52,755	50,263	52,522	51,362	62,018	697,448
General	10,136	12,516	9,834	9,653	11,442	9,524	9,739	9,792	10,510	10,352	9,778	10,260	123,536
Totals	$158,312	$157,328	$188,208	$162,678	$172,747	$178,707	$186,366	$160,609	$164,675	$177,328	$180,395	$180,281	$2,067,634
Net Revenue from Railway Operations	$ 58,663	$ 60,018	$101,913	$ 81,296	$ 32,697	$ 66,494	$ 33,750	$ 61,862	$ 63,933	$ 47,539	$ 30,627	$ 34,675	$ 673,467
Ratio of Expenses to Revenues—percent	72.96	72.39	64.87	66.68	84.08	72.88	84.67	72.19	72.03	78.86	85.49	83.87	75.43

TABLE I

Traffic and Mileage Statistics

Years Ended December 31, 1953 and 1952

	1953	1952
Passenger Traffic *	**None**	**None**
Freight Traffic		
Miles of road operated—average	148.38	148.38
Freight revenue	$2,699,393.49	$2,651,014.22
Revenue tons carried	1,273,732	1,291,500
Revenue ton-miles	127,174,487	129,274,236
Freight train-miles, ordinary	163,934	173,215
Freight car-miles, loads	3,920,951	4,016,393
Freight car-miles, empties	1,813,501	1,868,768
Revenue per ton	$ 2.12	$ 2.05
Revenue per ton-mile, cents	2.12	2.05
Revenue per train-mile	$ 16.47	$ 15.30
Freight revenue per mile of road operated	$ 18,192.43	$ 17,866.38
Average haul per revenue ton-mile	99.84	100.10
Ton-miles (non-revenue included) per train-mile	776	762
Ton-miles (non-revenue included) per loaded car-mile	32.95	32.88
Revenue ton-miles per mile of road operated	857,086	871,238
Loaded car-miles per train-mile	23.92	23.19
Empty car-miles per train-mile	11.06	10.79
Total car-miles per train-mile	34.98	33.98
Operating revenues per mile of road operated	$ 18,473.52	$ 18,151.36
Operating expenses per mile of road operated	$ 13,934.72	$ 13,607.27
Net operating revenue per mile of road operated	$ 4,538.80	$ 4,544.09

* Passenger traffic ended with June 1946.

TABLE J

Comparative Statement of Classified Tonnage

for the Years Ended December 31, 1953 and 1952

	1953		1952	
	Tons	Per Cent of Total	Tons	Per Cent of Total
Products of Agriculture:				
Flour	4,933	.39	5,238	.40
Cotton and cotton linters	10,251	.80	7,047	.55
Cottonseed and products	410	.03	236	.02
Fruits & vegetables, fresh & dried	1,110	.09	1,749	.13
Other products of agriculture	6,619	.52	8,741	.68
Totals	23,323	1.83	23,011	1.78
Animals and Products—Total	661	.05	736	.05
Products of Mines:				
Coal and coke	1,557	.12	1,406	.11
Clay and bentonite	23,386	1.84	23,934	1.85
Gravel, sand and broken stone	28,718	2.25	24,067	1.87
Asphalt	9,078	.71	9,782	.76
Salt	7,582	.60	8,928	.69
Phosphate rock	34,349	2.70	34,370	2.66
Sulphur	18,215	1.43	18,759	1.45
Other products of mines	27,526	2.16	15,882	1.23
Totals	150,411	11.81	137,128	10.62
Products of Forests:				
Lumber, logs, ties, piling, etc	93,148	7.32	93,117	7.21
Pulpwood	211,166	16.58	243,525	18.86
Rosin and turpentine	15,082	1.18	15,808	1.22
Other products of forests	35,526	2.79	38,832	3.01
Totals	354,922	27.87	391,282	30.30
Manufactures and Miscellaneous:				
Petroleum products	113,961	8.95	119,759	9.27
Rubber	9,592	.75	15,846	1.23
Sodium products	24,991	1.96	30,241	2.34
Fertilizers	43,881	3.45	51,837	4.01
Pig iron	7,226	.57	4,400	.34
Nails and wire	7,607	.60	7,303	.57
Manufactured iron and steel	35,615	2.80	32,052	2.48
Iron and steel pipe and fittings	28,371	2.23	25,497	1.98
Gases, other than petroleum, N.O.S.	7,274	.57	12,421	.96
Chemicals, N.O.S.	79,567	6.25	84,120	6.51
Ammunition and explosives	34,794	2.73	7,119	.55
Cement, brick, lime and plaster	32,245	2.53	27,201	2.11
Paper and paper articles	15,708	1.23	10,294	.80
Paper, fibre—and pulpboard	61,416	4.82	63,531	4.92
Wallboard	83,545	6.55	72,645	5.63
Woodpulp	17,366	1.36	2,739	.21
Food products in cans and packages	10,397	.82	13,867	1.07
Feed, animal and poultry, N.O.S.	12,890	1.01	10,463	.81
Scrap iron and scrap steel	13,511	1.06	25,493	1.97
Slag, furnace	9,001	.71	13,185	1.02
Other manufactures	94,565	7.42	108,299	8.39
Totals	743,523	58.37	738,312	57.17
Total carload traffic	1,272,840	99.93	1,290,469	99.92
Merchandise—All L.C.L. traffic	892	.07	1,031	.08
Grand Totals	1,273,732	100.00	1,291,500	100.00

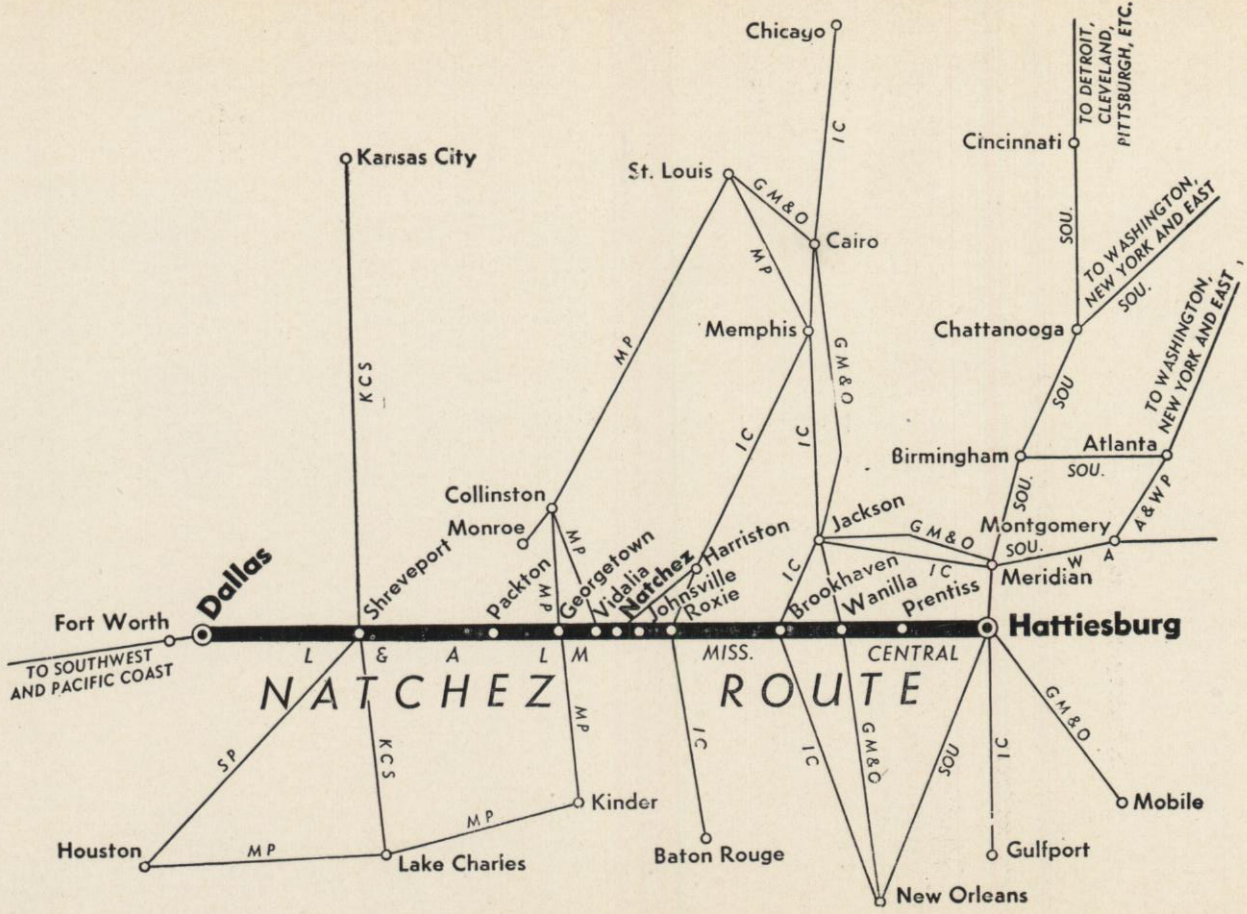
TABLE K

Inventory of Equipment December 31, 1952 and 1953

	Total Dec. 31, 1952	Added or reclassified	Retired	Total Dec. 31, 1953
Locomotives:				
Freight, steam	13		13	
Freight, diesel-electric		10		10
Freight Train Cars:				
Box cars	100		1	99
Flat cars	12			12
Gondola cars	39			39
Log cars	9			9
Rack cars	128		8	120
Caboose cars	9			9
Totals	297		9	288
Company Service Equipment:				
Camp and other work cars	26		1	25
Steel dump cars	2			2
Tank cars	2			2
Steam ditchers	2			2
Cranes	2		1	1
Business car	1			1
Other service equipment	4	2	2	4
Totals	39	2	4	37

Mileage operated at close of year

Hattiesburg, Miss. to Natchez Miss., Main track	148.38 miles
Yard tracks and sidings—Owned	34.63 miles
Yard tracks and sidings—Joint	0.89 miles


Chicago
Kansas City
St. Louis
Cincinnati
TO DETROIT, CLEVELAND, PITTSBURGH, ETC.
IC
GM&O
Cairo
SOU.
TO WASHINGTON, NEW YORK AND EAST
MP
Memphis
Chattanooga
KCS
GM&O
SOU
TO WASHINGTON, NEW YORK AND EAST
IC
IC
Birmingham
Atlanta
SOU.
SOU.
Collinston
Monroe
Jackson
Montgomery
A&WP
GM&O
SOU.
Dallas
Shreveport
Packton
Georgetown
Vidalia
Natchez
Harriston
Johnsville
Roxie
IC
Brookhaven
Wanilla
IC
Prentiss
Meridian
W
A
Fort Worth
Hattiesburg
TO SOUTHWEST AND PACIFIC COAST
L & A L M
MISS. CENTRAL
NATCHEZ ROUTE
SP
KCS
MP
IC
GM&O
SOU
IC
GM&O
Kinder
Mobile
Houston
MP
Lake Charles
Baton Rouge
Gulfport
New Orleans